

3. The factual background relating to the Debtors' commencement of these cases is set forth in detail in the *Declaration of Charles Goad in Support of Chapter 11 Petitions and First Day Motions* [D.I. 18] filed on the Petition Date and incorporated herein by reference.

4. The Debtors engaged Hilco Streambank to act as their intellectual property disposition consultant with respect to the Debtors' interests in their brands and trademarks, domain names, customer data, copyrights, patents, proprietary software, license agreements, recipes, IP addresses and the like (the "Intellectual Property"), as well as physical archival material (the "Related Tangible Assets") that supports the Intellectual Property (together, the "Assets") pursuant to an engagement letter (the "Engagement Letter") dated February 3, 2020 [D.I. 71].

5. Pursuant to this Court's Order dated February 26, 2020, the Court authorized the Debtors' employment of Hilco Streambank as intellectual property consultant for the Debtors (the "Hilco Retention Order") [D.I. 225].

Services Provided by Hilco Streambank

6. In its capacity as intellectual property advisor to the Debtors, Hilco Streambank worked with the Debtors' management and professionals to identify and assemble relevant data concerning the Assets, and to market the Assets to potential buyers. Hilco Streambank's activities included:

- (a) identifying the Assets and assisting the Debtors in preserving such Assets;
- (b) developing marketing materials including a "teaser" and webpage describing the Assets, the history of their use and their availability for sale;
- (c) assisting in the production of a press release describing the availability of the Assets (along with the availability of the Debtors' leases) for sale;
- (d) developing a contact list of potential buyers of the Assets;
- (e) having direct contact by phone or email with 136 potential buyers of the Assets;

- (f) disseminating email marketing materials that were sent to potential buyers of the Assets culled from Hilco Streambank's proprietary contact database;
- (g) establishing and populating a virtual data room (the "Data Room") and arranging for the admission of six parties to the Data Room who executed a form of non-disclosure agreement acceptable to the Debtors;
- (h) developing a bid form and bidder qualification guidelines;
- (i) working with the Debtors regarding the terms of the sale;
- (j) working with the Debtors and their professionals to close the sale of the Assets.

The Sale of the Debtors' Assets, Including Intellectual Property and Related Tangible Assets

7. The Debtors received bids for the Assets from three qualified bidders, including DJ3 Delaware, LLC (the "Successful Bidder"). According to Section 8 of the Asset Purchase and Assumption and Assignment of Leases Agreement (D.I. 305), the allocated price for the intellectual property in the Successful Bidder's bid is \$300,000. The Debtors determined that of the bids submitted for the Assets, the bid of the Successful Bidder was the highest and best bid.

8. On March 25, 2020, the Court entered an order approving the sale of the Assets to the Successful Bidder [D.I. 305].

9. On March 31, 2020, the sale to the Successful Bidder, which encompassed the Assets, closed.

Calculation of Amounts Paid to Hilco Streambank

10. Compensation. Pursuant to the Engagement Letter, Hilco Streambank was entitled to a commission (the "Commission") equal to 15% of Gross Proceeds.²

² Capitalized terms used in this paragraph but not defined herein shall have the respective meanings ascribed to them in the Engagement Letter.

11. The sale process concluded with the highest and best bid submitted by the Successful Bidder in the amount of \$1,900,000. Of that amount, an aggregate of \$300,000 is attributed to the Assets. Accordingly, the Commission attributable to such amount is 15% of \$300,000, which equals \$45,000.

12. Out-of-Pocket Expenses. Under the Engagement Letter Hilco Streambank shall be reimbursed for its reasonable, customary and documented expenses up to a maximum amount of \$5,000 [D.I. 71]. In connection with the engagement, Hilco Streambank incurred reasonable out-of-pocket expenses of \$256.36 in the following categories:

- a. Data Room Maintenance: \$198.00
- b. Hard Drive (for storage of images that were styled or owned by the Debtors): \$29.91
- c. Shipping Costs Associated with the Hard Drive from the Debtors to Hilco Streambank: \$28.45

13. The expenses are set forth more fully in the invoices annexed hereto as **Exhibit A** which are copies of Hilco Streambank's detailed expense reports.

14. By this Final Report, Hilco Streambank seeks final approval of the Commission (\$45,000) and out-of-pocket expenses (\$256.36) to be paid by the Debtors.

15. The fees and costs that are the subject of this Final Report constitute a legitimate administrative expense in these proceedings payable from the proceeds of the sale of the Assets.

16. No agreement exists to share the compensation sought with any other individual or entity.

WHEREFORE, Hilco Streambank hereby respectfully requests approval of compensation for professional services rendered to the Debtors in the sum of \$45,000 and reimbursement of actual and necessary expenses incurred in the sum of \$256.36.

Dated this 14th day of April, 2020.

Hilco IP Services, LLC d/b/a Hilco Streambank.

By /s/ *Richelle Kalnit*
Richelle Kalnit
Hilco Streambank
1500 Broadway, 8th Floor
New York, NY 10036

Exhibit A
EXPENSE DETAIL
(See Attached)



A Hilco Global Company
Vested in Your Success

Exhibit A
EXPENSE DETAIL

Data Room Maintenance Expense Calculation

Data Room: \$198.00 (132 MB x \$1.50/MB)



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Final Details for Order #111-9214568-8808214

[Print this page for your records.](#)

Order Placed: March 3, 2020

Amazon.com order number: 111-9214568-8808214

Order Total: \$29.91

Shipped on March 4, 2020

Items Ordered

1 of: 2.5" 320GB Ultra Slim Portable External Hard Drive USB3.0 HDD Storage

Price

\$29.49

Compatible for PC, Desktop, Laptop, Xbox One, Xbox 360, PS4(Black)

Sold by: TOPONES-US ([seller profile](#))

Condition: New

Shipping Address:

Eric Richbourg
220 CONTINUUM DR
FLETCHER, NC 28732-7444
United States

Shipping Speed:

One-Day Shipping

Payment information

Payment Method:

Billing address

Item(s) Subtotal: \$29.49

Shipping & Handling: \$0.00

Your Coupon Savings: -\$1.47

Total before tax: \$28.02

Estimated tax to be collected: \$1.89

Grand Total: \$29.91

Credit Card transactions

March 4, 2020: \$29.91

To view the status of your order, return to [Order Summary](#).

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Invoice Number	Invoice Date	Account Number	Page
6-957-51076	Mar 16, 2020		2 of 3

Ship Date: Mar 12, 2020

Cust. Ref.: NO REFERENCE INFORMATION

Ref.#2:

Payor: Shipper

Ref.#3:

The Earned Discount for this ship date has been calculated based on a revenue threshold of \$ 3796332.59

Fuel Surcharge - FedEx has applied a fuel surcharge of 6.25% to this shipment.

Distance Based Pricing, Zone 4

Package sent from: 28806 zip code

Package Delivered to Recipient Address - Release Authorized

Automation	AWB	Sender	Recipient
Tracking ID	811668922078	ERIC RICHBUR	RYAN BRANNE
Service Type	FedEx Standard Overnight	HILCO IP SERVICES	HILE STRUNFRANK
Package Type	Customer Packaging	1500 BROADWAY FL 8	160 BRY STE 810
Zone	04	NEW YORK NY 10036-4055 US	NEW YORK NY 10036 US
Packages	1		
Rated Weight	1.0 lbs, 0.5 kgs	Transportation Charge	52.31
Declared Value	USD 1.00	Discount	-0.94
Delivered	Mar 13, 2020 10:33	Earned Discount	-24.59
Svc Area	A1	Fuel Surcharge	1.67
Signed by	see above	Declared Value Charge	0.00
FedEx Use	007293659/1327/02	Total Charge	USD \$28.45

FedEx® Billing Online

FedEx Billing Online allows you to efficiently manage and pay your FedEx invoices online. It's free, easy and secure. FedEx Billing Online helps you streamline your billing process. With all your FedEx shipping information available in one secure online location, you never have to worry about misplacing a paper invoice or sifting through reams of paper to find information for past shipments. Go to fedex.com to sign up today!